

## Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2018 (FY9/18) (Nine Months Ended June 30, 2018) [IFRS]

August 14, 2018

Company name: Evolvable Asia Corp. Stock Exchange Listing: TSE  
 Stock code: 6191 URL <http://www.evolvableasia.com/>  
 Representative: Hideki Yoshimura, CEO  
 Contact: Yusuke Shibata, Director and CFO TEL: +81-3-3431-6191  
 Scheduled date of filing of Quarterly Report: August 14, 2018 Scheduled date of payment of dividend: —  
 Preparation of supplementary materials for quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for institutional investors and securities analysts)

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Third Quarter (October 1, 2017 to June 30, 2018) of FY9/18

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Profit before income taxes		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended March 31, 2018	6,340	59.8	1,037	110.6	1,026	107.4	716	93.9	612	106.1	709	81.8
Nine months ended March 31, 2017	3,968	—	492	—	494	—	369	—	297	—	390	—

	Profit per share		Fully diluted profit per share	
	Yen		Yen	
Nine months ended March 31, 2018	35.35		34.10	
Nine months ended March 31, 2017	17.77		16.82	

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of June 30, 2018	23,905	5,179	4,856	20.3	269.70
As of September 30, 2017	7,943	3,537	3,136	39.4	185.40

### 2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Sep. 30, 2017	—	0.00	—	7.00	7.00
Fiscal year ending Sep. 30, 2018	—	0.00	—		
Fiscal year ending Sep. 30, 2018 (Estimated)				10.00	10.00

Note: Revision to the most recently announced dividend forecast: No

### 3. Consolidated Forecast for FY9/18 (October 1, 2018 to September 30, 2018)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	11,000	—	1,500	—	881	—	52.09

Note: Revision to the most recently announced consolidated forecast: No

\* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

Newly included: 1 company Airtrip Corp. Excluded - companies

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Change of the accounting policy required under IFRS: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

(3) Number of outstanding shares (common stock)

1) Number of shares outstanding as of the end of the period (including treasury shares)

As of June 30, 2018	17,679,500 shares	As of Sep. 30, 2017	16,919,100 shares
---------------------	-------------------	---------------------	-------------------

2) Number of treasury shares as of the end of the period

As of June 30, 2018	— shares	As of Sep. 30, 2017	— shares
---------------------	----------	---------------------	----------

3) Average number of shares issued during the period

Nine months ended June 30, 2018	16,763,493 shares	Nine months ended June 30, 2017	16,763,493 shares
---------------------------------	-------------------	---------------------------------	-------------------

\* The quarterly financial report is exempt from the quarterly review procedures undertaken by the audit corporation.

\* Explanation of appropriate use of earnings forecasts, and other special items

The outlook for operating results and other forward-looking statements stated in this report are based on the information currently available to the Company and certain assumptions judged to be reasonable. The actual operating results, etc. may differ significantly from those statements, etc. due to various factors.

○Contents of Attachments

1. Summary Consolidated Financial Statements.....	2
(1) Summary Consolidated Statements of Financial Position.....	2
(2) Summary Consolidated Statement of Income.....	3
(3) Summary Consolidated Statement of Comprehensive Income.....	4
2. Notes to Quarterly Consolidated Financial Statements.....	5
(Notes on going concern assumptions).....	5
(Segment information, etc.).....	5

# 1. Summary Consolidated Financial Statements

## (1) Summary Consolidated Statements of Financial Position

	(Millions of yen)		
	Date of change of accounting standards (As of Oct. 1, 2016)	FY9/17 (As of Sep. 30, 2017)	Third quarter of FY9/18 (As of Jun. 30, 2018)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2,326	1,953	4,608
Notes and accounts receivable - trade and other receivables	1,104	1,631	4,922
Other financial assets	73	1,618	3,454
Inventories	274	45	55
Income taxes receivable	-	-	125
Other current assets	225	260	2,080
<b>Total current assets</b>	<b>4,002</b>	<b>5,508</b>	<b>15,246</b>
<b>Non-current assets</b>			
Property, plant and equipment	40	366	525
Intangible assets	202	609	2,077
Goodwill	102	757	5,000
Other financial assets	420	585	940
Other non-current assets	5	24	48
Deferred tax assets	35	89	65
<b>Total non-current assets</b>	<b>807</b>	<b>2,434</b>	<b>8,658</b>
<b>Total assets</b>	<b>4,810</b>	<b>7,943</b>	<b>23,905</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Operating payable and other operating payable	1,604	2,045	4,632
Interest-bearing debt	240	777	7,380
Other financial liabilities	0	156	374
Accrued income taxes	134	195	76
Other current liabilities	275	373	3,275
<b>Total current liabilities</b>	<b>2,255</b>	<b>3,548</b>	<b>15,739</b>
<b>Non-current liabilities</b>			
Interest-bearing debt	87	622	2,394
Other financial liabilities	102	81	17
Provisions	3	3	3
Deferred tax liabilities	-	130	532
Other non-current liabilities	-	19	37
<b>Total non-current liabilities</b>	<b>193</b>	<b>857</b>	<b>2,986</b>
<b>Total liabilities</b>	<b>2,448</b>	<b>4,406</b>	<b>18,725</b>
<b>Equity</b>			
Capital stock	1,019	1,031	1,067
Share premium	824	845	2,107
Retained earnings	291	964	1,380
Other items of equity	130	295	300
<b>Total equity attributable to owners of parent</b>	<b>2,266</b>	<b>3,136</b>	<b>4,856</b>
Non-controlling interests	94	400	323
<b>Total equity</b>	<b>2,361</b>	<b>3,537</b>	<b>5,179</b>
<b>Total liabilities and equity</b>	<b>4,810</b>	<b>7,943</b>	<b>23,905</b>

(2) Summary Consolidated Statement of Income  
For the Nine-month Period

(Millions of yen)

	Nine months ended June 30, 2017 (Oct. 1, 2016 – June 30, 2017)	Nine months ended June 30, 2018 (Oct. 1, 2017 – June 30, 2018)
Net sales	3,968	6,340
Cost of sales	635	2,360
Gross profit	3,332	3,980
Selling, general and administrative expense	2,812	4,380
Share of loss (profit) of entities	8	1,447
Other income	2	6
Other expenses	38	15
Operating income	492	1,037
Finance income	21	13
Finance costs	18	25
Profit before income taxes	494	1,026
Corporate income tax expenses	125	309
Profit	369	716
Profit attributable to		
owners of parent	297	612
Non-controlling interests	72	104
Profit	369	716
Profit per share		
Profit per share	17.77	35.35
Fully diluted profit per share	16.82	34.10

(3) Summary Consolidated Statement of Comprehensive Income  
For the Nine-month Period

(Millions of yen)

	Nine months ended June 30, 2017 (Oct. 1, 2016 – June 30, 2017)	Nine months ended June 30, 2018 (Oct. 1, 2017 – June 30, 2018)
Profit	369	716
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Gains and losses from financial assets measured at fair value	0	2
Total of items that will not be reclassified to profit or loss	0	2
Items that may be reclassified as profit or loss		
Translation adjustments of foreign operations	17	(10)
Cash flow hedge	3	0
Total of items that may be reclassified as profit or loss	20	(10)
Total other comprehensive income	20	(7)
Comprehensive income	390	709
Comprehensive income attributable to		
Owners of parent	309	610
Non-controlling interests	80	98
Comprehensive income	390	709

## 2. Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Segment information, etc.)

### (1) Information related to segment revenues and financial results

Nine months ended June 30, 2017 (Oct. 1, 2016 – Jun. 30, 2017)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Total on a consolidated basis
	Online Travel Agency Business	IT Offshore Develop- ment Business	Investment Business	Total				
Net sales	2,918	1,131	—	4,049	1	4,051	-82	3,968
Segment profits (losses)	741	124	8	874	-0	874	-382	492

(Note 1) The category “Other” includes advertising revenue and other business

(Note 2) The category “Adjustment” mainly includes the corporate expenses and intersegment transactions that are not attributable to the reportable segments.

(Note 3) The segment profit or loss has been adjusted to the operating income stated in the quarterly consolidated statement of income.

Nine months ended June 30, 2018 (Oct. 1, 2017 – Jun. 30, 2018)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Total on a consolidated basis
	Online Travel Agency Business	IT Offshore Develop- ment Business	Investment Business	Total				
Net sales	4,641	1,732	101	6,475	0	6,475	-135	6,340
Segment profits (losses)	-178	135	1,422	1,380	0	1,380	-342	1,037

(Note 1) The category “Other” includes advertising revenue and other business

(Note 2) The category “Adjustment” mainly includes the corporate expenses and intersegment transactions that are not attributable to the reportable segments.

(Note 3) The segment profit or loss has been adjusted to the operating income stated in the quarterly consolidated statement of income.

### (2) Matters regarding change of reportable segments

The Company launched the Investment business in the previous consolidated fiscal year, and the reportable segments were changed from the Online Travel Agency Business, the IT Offshore Development Business, and Other Businesses to the Online Travel Agency Business, the IT Offshore Development Business, and the Investment Business.

(Significant changes in the amount of goodwill)

Goodwill arose in the Online Travel Agency Business through the acquisition of shares of consolidated subsidiary N's Enterprise Co., Ltd., Ltd., EA1 Corp., Destination Japan Inc. and Airtrip Corp. The amounts of goodwill that arose as a result of these events is 997 million yen, 237 million yen, 393 million yen and 2,628 million yen respectively. The amounts of goodwill are provisional as the allocation of acquisition costs has yet to be completed.